

E. PROCEDURES FOR ACQUISITION OF A NEW LEASE OR LEASE AMENDMENT

ACQUISITION OF LEASED SPACE: DELEGATION OF AUTHORITY

Delegation of Authority Has Been Suspended

At this time, Pages 4-81 through 4-91 have been deleted

ACQUISITION OF LEASED SPACE: IN PARTNERSHIP WITH DCAM

When the Agency decides to acquire leased space in partnership with DCAM, DCAM will be responsible for procuring the lease using its standard documents and procedures. The Real Property Work Group has prepared the following statement of streamlined procedures.

The DCAM-Procured Lease**Form 1 & Request for Proposals****(4 weeks)**

1. Agency prepares the Facility Plan, Form 1-DPL and submits to DCAM at least **12** months in advance of current lease expiration or scheduled occupancy date.
2. DCAM reviews the Form 1 and, following discussion with the Agency, uses information of the Form 1 to prepare the Request for Proposals (RFP).

Advertisement & Solicitation**(5 weeks)**

3. DCAM advertises the availability of the RFP in the Central Register, and notifies the Agency of its advertising obligations. DCAM distributes the RFP to interested parties, and holds a proposers' conference as appropriate.
4. Simultaneously, the Agency places advertisements in appropriate newspapers and informs potential proposers of the availability of the RFP.

Proposal Evaluation**(8 weeks)**

5. DCAM receives proposals by the submission deadline and opens proposals promptly. DCAM completes its initial review of proposals for conformance to the requirements of the RFP and to prepare the proposal list and preliminary financial analysis of each proposal. DCAM sends the proposals and the preliminary results to the Agency.
6. Agency completes an initial review of the proposals and convenes with DCAM to determine list of competitive qualifying proposals.
7. Agency schedules a site visit for each competitive, qualifying proposal. Together, the Agency and DCAM complete site visits.
8. Agency and DCAM convene to determine whether it is necessary to seek written clarification of any proposal. If so, DCAM asks the proposers to submit written clarification to the Agency and DCAM.
9. DCAM and the Agency evaluate all information and jointly complete written evaluations of proposals and a recommendation for proposal selection.
10. Agency reviews the selection recommendation and, upon approval, signs and submits the Agency Recommendation Form 2 to DCAM.
11. Upon DCAM approval the Proposal Evaluation and Selection Recommendation Form 2-DPL, DCAM notifies proposers in writing of the selection decision.

Lease Documents: Completion of Schematic Plan & Execution of the Lease**(10 weeks)**

12. DCAM and the Agency meet with the selected proposer to begin finalizing lease and schematic space plan.
13. Agency develops schematic space plan which becomes an exhibit to the lease.
14. DCAM, the Agency and the Landlord finalize the lease and exhibits. DCAM reviews the lease to determine that it is complete and it is sent to the Landlord for signature.
15. Landlord completes and signs the lease and sends it to the Agency.
16. Agency signs the lease and sends the lease and Transaction Approval Form 3-DPL to DCAM for lease execution.
17. Upon finding the lease and the Transaction Approval Form 3-DPL are complete, DCAM signs lease and Form and returns them to the Agency. Agency delivers lease to landlord.

Build-out: Preparation of the Premises for Occupancy**(variable)**

18. Landlord completes design and construction of the space in accordance with the lease.
19. Agency monitors construction progress, completes and work for which it is responsible (e.g., telephone and data wiring or installation of movable partitions) and procures and schedules a mover. As needed, DCAM will assist Agency in monitoring progress on build-out or other matters related to the lease.
20. Landlord notifies the Agency that the premises are substantially complete.
21. DCAM and Agency review the build-out and upon confirmation of substantial completion, the Agency moves in.

Commencement of Lease Term**(1 week)**

22. Agency completes section 3 of the Transaction Approval Form 3-DPL identifying the occupancy date and commencement of lease term. Agency submits copy of completed Transaction Approval Form 3-DPL to DCAM for its records of active rental agreements.
23. Agency submits Lease Order and completed Transaction Approval Form 3-DPL to the Comptroller so that rental payments can commence.

The approximate total elapsed time in this process, excluding the time required to build out the leased space, is 28 weeks. For planning purposes, Agencies should assume a typical buildout schedule of 12 weeks. Agencies should begin planning for a lease procurement at least 12 months before the desired commencement date for the new lease.

Amendment of a DCAM-Procured Lease

The Agency may determine the need to modify an existing lease. In certain instances, the Agency may wish to extend the term of the lease for the same rent and on the same conditions provided in the original lease. Or, if circumstances have changed since the execution of the lease, it may be necessary to amend the lease to make minor adjustments to the tenant improvements, square footage or rent.

Review of Space Needs

(1 week)

1. Agency collects the information for the development of the Facility Plan Form 1-DPL, completes the Form and submits it to DCAM.
2. If the proposed lease amendment extends the lease term for five years, DCAM and the Agency first determine whether suitable state owned space is available. If state space is identified, DCAM and the Agency proceed with all steps necessary for the Agency to occupy the space. If no state space is identified, DCAM and the Agency proceed as follows.

Preparation and Execution of the Lease Amendment

(8 weeks)

3. Upon approval by DCAM of the Facility Plan Form 1-DPL, the Agency and DCAM meet with the Landlord to finalize the terms of the lease amendment.
4. DCAM or the Agency, as appropriate, prepares the lease amendment and exhibits consistent with the approved Request and discussions with the Landlord. DCAM or the Agency, as appropriate, obtains legal review and assembles copies of the complete document for execution.
5. The complete documents are sent to the Landlord for signature. The Agency completes the Transaction Approval Form 3-DPL.
6. Landlord signs and completes the lease amendments and returns them to the Agency.
7. Agency signs the lease amendments and sends them to DCAM with the completed Transaction Approval Form 3-DPL.
8. Upon finding the lease amendment documents and Transaction Approval Form 3-DPL complete and ready for execution, DCAM executes the lease amendments and signs the Transaction Approval Form 3-DPL. DCAM delivers the lease amendment and Transaction Approval Form 3-DPL to the Agency and the lease amendment is delivered to the Landlord.

Preparation of the Premises for Occupancy, if applicable

(varies)

9. If the Landlord is completing any tenant improvements, the Landlord completes design and construction of the premises in accordance with the lease amendment. The Agency and DCAM, as appropriate, review progress of design and improvement work.
10. Agency completes its work, if any, in the space prior to substantial completion. The Agency establishes a preliminary schedule for the move and hires a mover, if necessary. The Landlord notifies the Agency that the improvements are substantially complete. Upon confirmation of substantial completion, the Agency moves in and “takes occupancy” of the improved space.

Commencement of Lease Term**(1 week)**

11. Agency completes the “Occupancy” section of the Transaction Approval Form 3-DPL confirming that it has taken occupancy and that the term of the lease amendment has commenced. The Agency submits a copy of the Transaction Approval Form 3-DPL to DCAM for its records.
12. Agency submits a Lease Order and completed Transaction Approval Form 3-DPL to the Comptroller so that rental payments under the lease amendment can commence.

The approximate total elapsed time in this process is 10 weeks, excluding any time required by the Landlord to complete improvements or otherwise prepare space for occupancy. For lease extension amendments, Agencies should begin planning for the lease extension approximately 12 months in advance of the expiration date of the existing lease, so that there is time to implement an alternative plan if the parties cannot reach agreement on the terms of a lease extension.